

Nonresident Withholding Tax Statement**592-B**

Attach to Form 592 for each recipient.

**Copy A FOR FRANCHISE
TAX BOARD****Part I Recipient**

Recipient's name		<input type="checkbox"/> SSN	
Address (number and street)	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.	
City	State	ZIP Code	Country

Part II Withholding agent

Withholding agent's (payer's/partnership's/limited liability company's) name		<input type="checkbox"/> SSN	
Address (number and street)	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.	
City	State	ZIP Code	Daytime telephone number ()

Part III Type of income subject to withholding. Check the applicable box(es).

<input type="checkbox"/> Payment to Independent Contractor	<input type="checkbox"/> Rents or Royalties	<input type="checkbox"/> Estate Distributions	<input type="checkbox"/> Trust Distributions	<input type="checkbox"/> Allocations to Foreign (non-U.S.) Nonresident Partner/Member	<input type="checkbox"/> Distributions to Domestic (U.S.) Nonresident Partner/Member	<input type="checkbox"/> Other (describe)
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Part IV Tax Withheld

1 Total amount subject to withholding	1		
2 Total California tax withheld	2		

Withholding Agent Instructions**General Information****Purpose**

Use Form 592-B, Nonresident Withholding Tax Statement, to show the amount of income subject to withholding and tax withheld for nonresidents for the year. File a separate Form 592-B for each nonresident. Pass-through entities which were withheld upon by another entity should use Form 592-B to flow the withholding through to their partners, members, S corporation shareholders, or beneficiaries whether they are residents or nonresidents of California.

Note: Use Form 592-A, Nonresident Withholding Remittance Statement, to remit withholding payments during the year. Use Form 592, Nonresident Withholding Annual Return, to report the total withholding for the year and as a transmittal form for Forms 592-B.

Common Errors / Helpful Hints

- Tax ID numbers must be obtained from all payees.
- All fields must be completed.
- File Forms 592-B timely to avoid penalties.
- Examples of how to complete Form 592-B under various situations are provided on the Franchise Tax Board Website at www.ftb.ca.gov. Look for "Withholding" and "Nonresidents".

Who Must File

Any person who has withheld on payments to nonresidents or is a pass-through entity that was withheld upon and must flow through the withholding credit must file Forms 592-B (with Form 592, Nonresident Withholding Annual Return) with the Franchise Tax Board (FTB) and give two copies of Form 592-B to the persons or entities withheld upon.

Note: Withholding agents who withhold based on Form 594, Notice to Withhold Tax at Source, should not include that withholding on Form 592-B.

When and Where to File

File Copy A of this form together with Form 592, Nonresident Withholding Annual Return, with the FTB on or before January 31 following the close of the calendar year unless you are withholding on foreign (non-U.S.) partners. For withholding on foreign partners, file Forms 592-B with Form 592, Side 2 on or before the 15th day of the 4th month following the close of the partnership's tax year. (If all the partners in this partnership are foreign, Forms 592-B and Form 592 must be filed on or before the 15th day of the 6th month after the close of the partnership's tax year.)

Attach Copy A of Form 592-B to the back of Form 592 and mail with payment to:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

If you are filing Form(s) 592-B by magnetic media, see Instructions for Form 592, Magnetic Media Requirements, for instructions on mailing the disk or CD to FTB.

Distribute the other copies of Form 592-B as follows:

- **Copies B & C** – Send to the recipient (vendor/payee) by the same date that Copy A is due to the FTB.
- **Copy D** – Retained by withholding agent.

Penalties

The withholding agent must furnish complete and correct copies of Forms 592-B to the FTB and to the recipient (vendor/payee) by the due date.

If the withholding agent fails to provide complete, correct, and timely Forms 592-B to the FTB for all nonresident withholding other than foreign partner withholding, the penalty per Form 592-B is:

- \$15 if filed within 30 days after the due date.
- \$30 if filed by August 1.
- \$50 if filed after August 1 or a correct form is not filed.

-
- \$100 or ten percent of the amount required to be reported (whichever is greater) if the failure is due to intentional disregard of the requirement.

If the withholding agent fails to provide complete, correct, and timely Forms 592-B to the FTB for foreign partner withholding, the penalty per Form 592-B is:

- \$15 if filed within 30 days after the due date.
- \$50 if filed more than 30 days late or a correct form is not filed.
- \$100 or ten percent of the amount required to be reported (whichever is greater) if the failure is due to intentional disregard of the requirement.

If the withholding agent fails to provide complete, correct, and timely Forms 592-B to the recipient (vendor/payee), the penalty per Form 592-B is:

- \$50 if provided to the recipient late.
- \$100 or ten percent of the amount required to be reported (whichever is greater) if the failure is due to intentional disregard of the requirement.

Specific Instructions

Year – Enter the year withholding was done unless a partnership's or limited liability company's current distribution represents prior year California source income. In that case, enter the year the income was earned. (Except for foreign partners, withholding of tax by withholding agents must be on a calendar year basis, regardless of the accounting period adopted by the vendor/payee or withholding agent.) For foreign partner withholding, enter the year that the

partnership's taxable year ended. For example, if the partnership's taxable year ended 12/31/05, enter 2005. If the partnership's taxable year ended 03/31/06, enter 2006.

Part I – Enter the tax identification number, name, and address for the recipient (vendor/payee).

If the recipient is a grantor trust, enter the grantor's individual name and SSN. Do not enter the name of the trust or trustee information. (For tax purposes, revocable trusts are transparent. The individual grantor must report the income and claim the withholding on the individual's California tax return.)

If the recipient is an irrevocable trust, enter the name of the trust and the trust's federal employer identification number (FEIN). **Do not enter trustee information.**

If the recipients are husband and wife, enter only the name and SSN of the primary spouse. However, if the recipients intend to file separate California tax returns, you should split the withholding and complete separate Forms 592-B for each spouse.

Part II – Enter the withholding agent's tax identification number, name, address and telephone number.

Part III – Check the box(es) for the type of income subject to withholding.

Part IV

Line 1 – Enter the amount of income withheld upon.

Line 2 – Enter the amount withheld.

YEAR

CALIFORNIA FORM

Nonresident Withholding Tax Statement**592-B****Copy B** FILE WITH THE STATE RETURN**Part I Recipient**

Recipient's name		<input type="checkbox"/> SSN	
Address (number and street)	PMB no.	<input type="checkbox"/> FEIN	<input type="checkbox"/> California corp. no.
City	State	ZIP Code	Country

Part II Withholding agent

Withholding agent's (payer's/partnership's/limited liability company's) name		<input type="checkbox"/> SSN	
Address (number and street)	PMB no.	<input type="checkbox"/> FEIN	<input type="checkbox"/> California corp. no.
City	State	ZIP Code	Daytime telephone number ()

Part III Type of income subject to withholding. Check the applicable box(es).

<input type="checkbox"/> Payment to Independent Contractor	<input type="checkbox"/> Rents or Royalties	<input type="checkbox"/> Estate Distributions	<input type="checkbox"/> Trust Distributions	<input type="checkbox"/> Allocations to Foreign (non-U.S.) Nonresident Partner/Member	<input type="checkbox"/> Distributions to Domestic (U.S.) Nonresident Partner/Member	<input type="checkbox"/> Other (describe)
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Part IV Tax Withheld

1 Total amount subject to withholding	1		
2 Total California tax withheld	2		

Attach **only** the top portion of this form to the front of your California tax return (as you would a Form W-2).

For Privacy Act Notice, get form FTB 1131 (Individuals only).

592B05103

Form 592-B 2005



DETACH HERE

**Instructions for Recipient**

This withholding of tax does not relieve you of the requirement to file a California tax return within three months and fifteen days (two months and fifteen days for a corporation) after the close of your taxable year.

You may be assessed a penalty if:

- You do not file a California tax return.
- You file your tax return late.
- The amount of withholding does not satisfy your tax liability.

How to Claim the Withholding

To claim the withholding credit, report the income as required and enter the amount shown from Line 2 on the line for nonresident withholding on your California tax return. Attach the top portion of Form 592-B, Copy B to the lower front of your California tax return.

If you are a partnership or LLC, you may either flow the entire amount through to your partners or members or claim the withholding, to the extent of your outstanding tax liability, on your tax return. If the withholding exceeds the amount of tax you still owe on your tax return, you must flow the excess to your partners or members. If you do not have an outstanding balance on your tax return, you must flow the entire amount to your partners or members. Get Forms 592 and 592-B to flow the withholding through to your partners or members.

If you are an estate or trust, you must flow the withholding through to your beneficiaries if the related income was distributed. Get Forms 592 and 592-B to flow the withholding through to your beneficiaries. If you did not distribute the income,

you must claim the withholding on the fiduciary return (Form 541) instead of flowing the withholding to your beneficiaries.

If you are an S corporation, you can flow all of the withholding through to your shareholders, claim a portion on your corporation return (Form 100S) and flow the rest to your shareholders, or claim all of the withholding on the S corporation return. Get Forms 592 and 592-B to flow the withholding through to your shareholders.

Caution: The amount shown as "Total amount subject to withholding" may be an estimate or may only reflect how withholding was calculated. Be sure to report your actual taxable California source income. If you are an independent contractor or receive rents or royalties, see your contract and/or Form 1099 to determine your California source income. If you are a partner, member, or beneficiary of a partnership, LLC, estate, or trust, see your California Schedule K-1 (565, 568, 541) issued by that entity to determine your California source income.

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance Section's automated telephone service at: (888) 792-4900 (toll-free) or (916) 845-4900.

OR Write to:

WITHHOLDING SERVICES AND COMPLIANCE
SECTION
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

For information on requirements to file a California tax return or to get forms, call:

From within the United States (800) 852-5711
From outside the United States (916) 845-6500 (not toll-free)

OR Write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

You can download, view, and print California tax forms and publications from our Website at www.ftb.ca.gov.

Assistance for Persons with Disabilities

We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments please call:

TTY/TDD (800) 822-6268

Asistencia Telefonica y en el Internet

Sitio en el Internet: www.ftb.ca.gov

Dentro de los Estados Unidos
llame al (800) 852-5711
Fuera de los Estados Unidos,
llame al (916) 845-6500 (cargos aplican)

Asistencia para Personas Discapacitadas

Nosotros estamos en conformidad con el Acta de Americanos Discapacitados. Personas con problemas auditivos pueden llamar al TTY/TDD (800) 822-6268.

Nonresident Withholding Tax Statement

592-B

Copy C FOR RECIPIENT'S RECORDS

Part I Recipient

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Address (number and street)	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.	
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Part III Type of income subject to withholding. Check the applicable box(es).

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Part IV Tax Withheld

1 Total amount subject to withholding	1		
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Instructions for Recipient

This withholding of tax does not relieve you of the requirement to file a California tax return within three months and fifteen days (two months and fifteen days for a corporation) after the close of your taxable year.

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Nonresident Withholding Tax Statement

592-B

Copy D FOR WITHHOLDING AGENT

Part I Recipient

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Withholding Agent Instructions

General Information

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SACRAMENTO CA 94267-0651

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- **Copies B & C** – Send to the recipient (vendor/payee) by the same date that Copy A is due to the FTB.
- **Copy D** – Retained by withholding agent.

Penalties

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- \$15 if filed within 30 days after the due date.
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Specific Instructions

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payee or withholding agent.) For foreign partner withholding, enter the year that the partnership's taxable year ended. For example, if the partnership's taxable year ended 12/31/05, enter 2005. If the partnership's taxable year ended 03/31/06, enter 2006.

Part I – Enter the tax identification number, name, and address for the recipient (vendor/payee).

If the recipient is a grantor trust, enter the grantor's individual name and SSN. Do not enter the name of the trust or trustee information. (For tax purposes, revocable trusts are transparent. The individual grantor must report the income and claim the withholding on the individual's California tax return.)

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Part II – Enter the withholding agent's tax identification number, name, address and telephone number.

Part III – Check the box(es) for the type of income subject to withholding.

Part IV

Line 1 – Enter the amount of income withheld upon.

Line 2 – Enter the amount withheld.